# GOVERNMENT OF INDIA
# AGRICULTURE
# LOK SABHA

UNSTARRED QUESTION NO:4856
ANSWERED ON:26.04.2000
COTTON, EDIBLE OILS AND WHEAT
DILEEP SANGHANI

**Will the Minister of AGRICULTURE be pleased to state:**

(a) whether the Government are aware that the price of imported cotton is cheaper than the basic cost price of the cotton produced in the country;

(b) whether the wheat, edible oils and cotton has grown in abundance and the State Governments are not purchasing them;

(c) if so, whether the Union Government propose to solve the above problems; and

(d) the steps being taken in this regard by the Union Government to solve the problems?

## Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE

(SHRI SBPBK SATYANARAYANA RAO)

(a) Yes, Sir, the price of imported raw cotton is cheaper by 10 to 15 per cent compared to the prevailing domestic market price of lint cotton,

(b)to(d) The production of wheat has increased by 6.7 per cent, edible oil seeds by 18.3 per cent and cotton by 12.3 per cent in 1998-99 over 1997-98.

According to Agriculture Price Policy, 24 major agricultural commodities including wheat, edible oilseeds and cotton are covered under Minimum Support Price Scheme (MSP). The prices under MSP are so fixed as to ensure payment of remunerative prices to the cultivators. The Central Nodal agency viz. Food Corporation of India (FCI) in the case of wheat, NAFED in the case of oilseeds and Cotton Corporation of India(CCI) in the case of cotton undertake price support operations if the prices of these commodities fall below MSP level.